

3 June 1959

MEMORANDUM FOR: Economic Intelligence Committee

SUBJECT : Annual Report of EIC Subcommittee on  
Minerals and Metals for FY 1959REFERENCE : EIC-D-371, Subcommittee Annual Reports for  
Fiscal Year 1959A. Activities of the Subcommittee During Fiscal Year1. Review of the Intelligence Product in the Subcommittee's  
Field of Competence

In reviewing the FY 1959 research program the Subcommittee members noted that delays inherent in preparation and publication caused the encyclopedic National Intelligence Surveys to be obsolescent when disseminated. The publication of a series of relatively brief surveys of developments of topical interest in the Subcommittee's field was suggested. Several reports of this nature accordingly were introduced into the CIA/ORR FY 1959 program and additional surveys have been scheduled for FY 1960. The Subcommittee will review the FY 1960 programs of its membership when they have become available.

2. Research and Collection Deficiencies

a. Research Deficiencies The Subcommittee's report of the current status of priority research deficiencies is attached as Annex A.

b. Collection Deficiencies The Subcommittee Secretariat has received copies of the CIA/ORR statement of gaps in intelligence for the ferrous metallurgical industries in Hungary, North Korea, and Rumania, and for the nonferrous metals and minerals industries in Bulgaria, Poland, and Rumania. It is planned that the Subcommittee will consider these statements at an early meeting. The Subcommittee's judgment as to the feasibility of using these statements as a basis for statements of Priority Collection Deficiencies will be communicated to the EIC/S, following such consideration.

3. Review of Substantive Papers

Although the Subcommittee did not formally review any substantive papers in the past year, informal reviews of analyses of particular aspects of the minerals and metals industries of the Bloc prepared by Subcommittee members were carried out, principally on a bilateral basis.

4. Review of Proposals for External Research

No such proposals were submitted to the Subcommittee.

5. Maintenance of Agreed Basic Statistics

Formal agreement by the Subcommittee members on basic statistics was not undertaken during the past year. Some data, however, were discussed bilaterally between interested members of the Subcommittee. The Subcommittee Secretariat currently is preparing a list of selected basic statistics in the field of metals and minerals which will be submitted to an early meeting of the Subcommittee.

6. Projects Undertaken at the Request of the EIC or Proposed to the EIC

None.

7. Intelligence Research Techniques

No discussions were held on this subject.

8. Special Coordination Functions of the Subcommittee

The Subcommittee provided support for the USIB Committee on Exchanges in connection with two proposals for exchanges of delegations in the field of minerals and metals. In the first instance, the Subcommittee assessed the intelligence implications of a Polish proposal for an exchange in the field of nonferrous metallurgy and determined that the exchange would not be of net advantage to the US. In the second instance, a Soviet proposal for an exchange in the field of rolled pipe and tubing was determined to be of no interest to the US at the present time.

9. Evaluation of the Role of the Subcommittee

a. The Subcommittee provided a useful and convenient mechanism for accomplishing formal and informal coordination among the member agencies, for the dissemination of information, and exchange of opinion in the field of metals and minerals. In addition to the coordinated support provided for the USIB Committee on Exchanges, frequent ad hoc consultations on specific subjects were made possible by the lines of communication established by the Subcommittee.

b. Although not an impediment to the functioning of the Subcommittee, the fact that CIA/ORR is the only member conducting research in the Subcommittee's field of responsibility on a continuing, comprehensive basis tends to minimize the need for frequent formal meetings.

B. Future Program of the Subcommittee

The Subcommittee plans to continue to serve as a forum for the discussion of substantive intelligence in its field and for such other purposes within its mission as the EIC may direct or the needs of the intelligence community may indicate. It is anticipated that during the ensuing year more attention will be directed toward the maintenance of agreed basic statistics and the collective consideration of research and collection deficiencies.

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Chairman  
EIC Subcommittee on Minerals and Metals

Attachment:  
Priority Research Deficiencies